

## Message Text

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70

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

EB-07 ACDA-07 TRSE-00 /076 W  
----- 026272

P R 172100Z AUG 76

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 7385

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 7221

E.O. 11652: N/A

TAGS: EFIN, BR

SUBJ: BRAZIL'S OFFICIAL RESERVES INCREASE

1. FINANCE MINISTER SIMONSEN IS REPORTED IN TODAY'S PRESS (AUGUST 17) AS STATING THAT OFFICIAL RESERVES, AFTER BEING ON THE DECLINE FROM THE BEGINNING OF THE YEAR, BEGAN RECUPERATING IN THE SECOND HALF OF MAY. HE REPORTEDLY SAID THAT AFTER DROPPING TO DOLS 3,527 MILLION ON APRIL 30, RESERVES INCREASED BY ABOUT DOLS 600 MILLION DURING THE LAST 90 DAYS AND NOW STAND AT DOLS 4,040 MILLION, SAME AS END OF 1975.

2. COMMENT: THE REVERSAL IN THE TREND OF OFFICIAL RESERVES COINCIDED WITH THE PICK UP IN EXPORTS AND THE IMPROVEMENT IN THE TRADE ACCOUNT WHICH REGISTERED A SMALL SURPLUS IN JUNE. SOME REPORTS SPECULATE -- IN PART BASED ON INFORMATION PROVIDED BY "OFFICIAL SOURCES" -- THAT THIS MOST RECENT TREND COULD CONTINUE IN COMING MONTHS, BRINGING RESERVES UP TO THE BEGINNING OF LAST YEAR'S LEVEL (DOLS 5.0 BILLION). WE BELIEVE SUCH SPECULATION TO HAVE LITTLE SUPPORT FROM AN OBJECTIVE ANALYSIS OF THE FACTS.

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OUR OWN JUDGMENT IS THAT IT WOULD BE A SIGNIFICANT

ACHIEVEMENT IF RESERVES COULD CLOSE THE YEAR AT  
THE CURRENT LEVEL.  
CRIMMINS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCIAL RESERVES, ECONOMIC ESTIMATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976BRASIL07221  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760315-1305  
**From:** BRASILIA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1976/newtext/t19760848/aaaabpcs.tel  
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**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 JUL 2004  
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04 MAY 2006

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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRAZIL'S OFFICIAL RESERVES INCREASE  
**TAGS:** EFIN, BR  
**To:** STATE  
**Type:** TE  
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